

CENTER LINE POLICE & FIRE RETIREMENT COMMISSION  
MINUTES  
REGULAR MEETING  
February 8, 2022

Page 1 of 6

The regular meeting of the Center Line Police and Fire Retirement Commission was called to order at 2:34 p.m. by Vice-Chairperson Stys.

Members Present: Richard Stys, Gregory Suma, Bernadette Helkowski, and Dave Allen.

Members Absent: Danny Petroff.

Also, Present: Timothy Brice from Morgan Stanley.

**AGENDA ITEM 2A. – Approval of the Agenda**

Motion by Trustee Allen to approve the agenda. was supported by Trustee Helkowski.

**AYES: 4**  
**NAYS: None**                      **Motion carried 4 - 0.**  
**ABSENT: Petroff.**

**B. Election of Officers: Tabled January 11, 2022.**

Motion by Trustee Suma to remove from the table was supported by

**AYES: 4**  
**NAYS: None**                      **Motion carried 4 - 0.**  
**ABSENT: Petroff.**

**a. Chairperson**

Motion by Trustee Suma to nominate Vice-chairperson Stys as Chairperson was supported by Trustee Helkowski.

**AYES: 4**  
**NAYS: None**                      **Motion carried 4 - 0.**  
**ABSENT: Petroff.**

**b. Vice-Chairperson**

A motion by Trustee Suma to leave this officer post vacant until we have new commission members elected was supported by Trustee Helkowski.

**AYES: 4**  
**NAYS: None**                      **Motion carried 4 - 0.**  
**ABSENT: Petroff.**

CENTER LINE POLICE & FIRE RETIREMENT COMMISSION  
MINUTES  
REGULAR MEETING  
February 8, 2022

Page 2 of 6

**c. Secretary**

A motion by Trustee Helkowski to nominate Gregory Suma was supported by Trustee Allen.

**AYES: 4**  
**NAYS: None**      **Motion carried 4 - 0.**  
**ABSENT: Petroff.**

**AGENDA ITEM 3 – Public Comment**

Seeing there was no one in the audience this item was closed.

**AGENDA ITEM 4 – Approval of the minutes**

**A. Approval of the Regular Meeting minutes held on January 11, 2022.**

Motion by Trustee Helkowski to approve the January 11, 2022 minutes supported by Trustee Suma.

**AYES: 4**  
**NAYS: None**      **Motion carried 4 - 0.**  
**ABSENT: Petroff.**

**AGENDA ITEM 5 – Remembrances**

**A. None.**

**AGENDA ITEM 6 – Presentations:**

**A. Tim Brice from Morgan Stanley:**

- 1. February 2022 Global Investment Committee – On the Markets – A Cycle Like No Other.**
- 2. Fourth Quarter money manager performances as of December 31, 2021.**

Mr. Brice spoke to the *On the Markets* handout. The markets finished the 2021 year up strong but had some volatility. The FED has said recently there will be more than likely four interest rate hikes in 2022 and will be wrapping up quantitative easing as the USA inflation rate is at 7.50%. As interest rates rise the bond market is not where you Want to be. Equities can still perform well during a higher interest rate and high



CENTER LINE POLICE & FIRE RETIREMENT COMMISSION  
MINUTES  
REGULAR MEETING  
February 8, 2022

Page 3 of 6

inflation environment. This commission has started preparing for this type of cycle by trimming growth stocks and moving funds to more quality and value style stocks. The commission has also added alternative investments like real estate and REITS that can perform well in that environment. Morgan Stanley will be resetting its Capital Markets assumptions in March and will be available in April and we will use that report for our next asset allocation model. We may look at adding another asset class. Mr. Brice said four things need to be analyzed when looking at a new asset class. Reward, risk, fees, and liquidity. Mr. Brice reiterated that market timing does not work.

Trustee Suma said with the three retirements pending we will have to be doing a draw down around \$ 500,000.00 to distribute "annuity withdrawals" over the next couple of months.

Mr. Brice moved to money manager performances. For the 4<sup>th</sup> Qtrs. Of 2021 the portfolio was up 5.63% vs. the benchmark of 3.44%. For the year, the portfolio was up 14.78% vs. the benchmark of 12.83%. The three-year return is up 17.47% vs. the benchmark of 15.12%, the five-year return is up 11.93% vs. the benchmark of 10.42%. Trustee Sum pointed out that we use an actuarial rate of assumption of 6.75% so any time the portfolio beats that assumption it adds to reducing the unfunded actuarially liability. The portfolio is valued at \$ 15,556,552.34 as of December 31, 2021. The new year has started off in a negative way. Our portfolio is down -4.50% through February 2, 2022. Mr. Brice pointed out with the volatility that and has he has told three others commissions today to keep your head about you and look for buying opportunities and not to panic. Markets have ebbs and flows throughout history. This fund is in it for the long haul. Mr. Brice said that crypto currency has become so big now the firm has made it another asset class and has dedicated a team follow and research it. Trustee Suma said this commission does not generally buy individual securities. We do manager searches and hire professional money management firms to manage securities. Morgan Stanley does due diligences on all the firms we hire. If a firm is performing poorly, we put them on a watch until Morgan Stanley makes a recommendation to keep or terminate them.

**AGENDA ITEM 7 - For Your Information:**

A. None.

**AGENDA ITEM 8 – Old Business**

A. None.

**AGENDA ITEM 9 – New Business**

CENTER LINE POLICE & FIRE RETIREMENT COMMISSION  
MINUTES  
REGULAR MEETING  
February 8, 2022

Page 4 of 6

**A. MAPERS – One Day Seminar, March 4, 2022 at the Auburn Hills Marriot Pontiac.**

Trustee Suma made a motion to allow any trustee who meets the qualifications under our travel policy to be able to attend the seminar was seconded by trustee Helkowski.

AYES: 4  
NAYS: None Motion carried 4 - 0.  
ABSENT: Petroff.

**AGENDA ITEM 10 – Retirements**

**A. Michael Gerald – Service retirement with Straight Life 60% Survivor Benefit effective: March 10, 2022.**

Motion by Trustee Suma to approve the retirement application for Michael Gerald was seconded by Trustee Allen.

AYES: 4  
NAYS: None Motion carried 4 - 0.  
ABSENT: Petroff.

**B. Danny Petroff – Service retirement with Option I Survivor Benefit effective: February 28, 2022.**

Motion by Trustee Allen to approve the retirement application for Danny Petroff was seconded by Trustee Suma.

AYES: 4  
NAYS: None Motion carried 4 - 0.  
ABSENT: Petroff.

**AGENDA ITEM 11 – Annuity Withdrawals**

**A. Danny Petroff – Total distribution.**

Motion by Trustee Suma to approve the annuity withdrawal for Danny Petroff was seconded by Trustee Allen.



CENTER LINE POLICE & FIRE RETIREMENT COMMISSION  
MINUTES  
REGULAR MEETING  
February 8, 2022

Page 5 of 6

**AYES: 4**  
**NAYS: None**      **Motion carried 4 - 0.**  
**ABSENT: Petroff.**

**AGENDA ITEM 12 – Approval of Pension Figures**

**A. None.**

**AGENDA ITEM 13 – Vouchers**

**A. January 25, 2022 pensions paid: Pay Report 444 ~ \$ 113,611.85.**

A motion to pay the January 25, 2022 pensions was motioned by Trustee Helkowski and seconded by Trustee Allen.

**AYES: 4**  
**NAYS: None**      **Motion carried 4 - 0.**  
**ABSENT: Petroff.**

**B. Graystone Consulting 4<sup>th</sup> Qtr. 2021 consulting fees, invoice # 10062022007  
dated: January 7, 2022 ~ \$ 18,526.97.**

A motion to pay the 4<sup>th</sup> Qtr. 2021 consulting fees was motioned by Trustee Allen and seconded by Trustee Helkowski.

**AYES: 4**  
**NAYS: None**      **Motion carried 4 - 0.**  
**ABSENT: Petroff.**

**14. Commission Members Comments:**

Trustee Suma said he would post a notice of nominations to serve as a trustee to the Center Line P & F Retirement Commission for an effective date of March 1, 2022 and then after Dave Allen retires, he would post another notice of nominations. The MAPERS one day seminar agenda was discussed.

Trustee Allen said his exploration of other cities using medical marijuana license fees to partially fund retirement systems has come to a dead end. He even reached out to a controller of a company who received a license and he could not get any information from him. Dave Allen even reached out the president of the State of Michigan Police Officer's Association and that individual has never heard of anything like that.

CENTER LINE POLICE & FIRE RETIREMENT COMMISSION  
MINUTES  
REGULAR MEETING  
February 8, 2022

Page 6 of 6

**AGENDA ITEM 15 – Adjournment:**

As there was no further business to discuss, a motion by Trustee Allen and supported by Trustee Helkowski that the meeting be adjourned at 3:36 p.m.

**AYES:** 4  
**NAYS:** None      **Motion carried 4 - 0.**  
**ABSENT:** Petroff.

Minutes Approved at the March 8, 2022 Meeting:  
Richard Stys 03/08/22  
Chairman Date  
Meggy T. Sumner 03/08/22  
Secretary Date